



**Department of Justice  
U.S. Attorney's Office  
Southern District of Texas**

**Donald J. DeGabrielle, Jr. • United States Attorney**

**FOR IMMEDIATE RELEASE**  
MONDAY, MAY 22, 2006  
[WWW.USDOJ.GOV/USAO/TXS](http://WWW.USDOJ.GOV/USAO/TXS)

JOHN YEMBRICK  
PUBLIC INFORMATION OFFICE  
(713) 567-9388

**DOCTOR CONVICTED IN WHEELCHAIR SCAM SENTENCED TO MAXIMUM  
PRISON TERM**

HOUSTON, TX – A physician convicted for accepting cash for signing certificates of medical necessity and prescriptions for motorized wheelchairs for Medicare and Medicaid beneficiaries she did not examine was sentenced today to the maximum statutory penalty for each of twelve counts of health care fraud and conspiracy, announced United States Attorney Don DeGabrielle. Dr. Linda Kaye Morgan, 53, was sentenced to 10 years in prison, without parole, for each of twelve counts of conviction for healthcare fraud and five years for a conspiracy conviction. Each of the sentences are to be served concurrently. Dr. Morgan was convicted of all thirteen counts following a jury trial in February 2006.

In addition to the prison term, U.S. District Judge Lynn N. Hughes, who presided over the trial and imposed the prison term, also ordered Dr. Morgan to pay \$7.9 million in restitution to Medicare and Medicaid. After serving her prison term, Dr. Morgan is to serve a three year term of supervised release. Judge Hughes further ordered Dr. Morgan not to practice medicine again, without the court's written permission, and she cannot submit any government claims other than for herself.

Dr. Morgan, a licensed osteopath in Oklahoma, was unable to become licensed in Texas. Nonetheless, over a two-year period beginning in 2002, marketers paid Dr. Morgan \$250 for signing pre-printed prescriptions for expensive motorized wheelchairs. She signed hundreds of prescriptions. She also signed Certificates of Medical Necessity (CMN), a document required by Medicare and Medicaid to accompany the prescription as part of their billing processes. On each of the certificates, she certified that she had evaluated the patients and that their physical condition warranted the need for an electric wheelchair. Yet, she rarely evaluated the patients for whom the prescriptions were signed. The marketers then sold the prescriptions to durable medical equipment companies in Texas and other states.

During her trial, Medicare and Medicaid recipients from Texas and Louisiana testified that they have never been treated or evaluated by Dr. Morgan. Additional testimony proved that Medicare and/or Medicaid were billed for an electric wheelchair and related accessories by durable equipment companies as a result of Dr. Morgan's prescriptions and CMNs, but a less expensive scooter was actually delivered to the beneficiary in most cases. From 2002 to 2004, Medicare reimbursed durable medical equipment companies approximately \$5,000 for an electric wheelchair and its accessories, such as batteries, head rests, and seat cushions. A scooter

cost between \$800 and \$1,200.

Dr. Morgan's fraudulent prescriptions have been linked to nearly \$8 million in Medicare and Medicaid payments to more than 60 durable medical equipment companies around the country.

Dr. Morgan, who was originally released on bond following her arrest, was ordered held in federal custody without bond after opening a bank account with an allegedly fraudulent check in violation her conditions of release.

This case was the result of the investigative efforts of the Federal Bureau of Investigation, the Texas Attorney General's Medicaid Fraud Unit in Houston, the Health & Human Services-Office of the Inspector General, Office of Investigations. The case was prosecuted by Special Assistant United States Attorney Suzanne Bradley.

# # #